

UNITED STATES DEPARTMENT OF JUSTICE
OFFICE OF THE UNITED STATES TRUSTEE
CENTRAL DISTRICT OF CALIFORNIA

In Re: Ironclad Performance Wear Corporation, a Nevada corporation, Debtor(s).	CHAPTER 11 (BUSINESS)
	Case Number: <u>1:17-bk-12409-MB</u>
	Operating Report Number: <u>2</u>
	For the Month Ending: <u>Jan-18</u>

I. CASH RECEIPTS AND DISBURSEMENTS
A. (GENERAL ACCOUNT*)

1. TOTAL RECEIPTS PER ALL PRIOR GENERAL ACCOUNT REPORTS	<u>N/A</u>
2. LESS: TOTAL DISBURSEMENTS PER ALL PRIOR GENERAL ACCOUNT REPORTS	<u>N/A</u>
3. BEGINNING BALANCE:	<u> </u>
4. RECEIPTS DURING CURRENT PERIOD:	
Accounts Receivable - Post-filing	<u>N/A</u>
Accounts Receivable - Pre-filing	<u>N/A</u>
General Sales	<u> </u>
Other (Specify)	<u> </u>
**Other (Specify)	<u> </u>
TOTAL RECEIPTS THIS PERIOD:	<u>N/A</u>
5. BALANCE:	<u>N/A</u>
6. LESS: TOTAL DISBURSEMENTS DURING CURRENT PERIOD	
Transfers to Other DIP Accounts (from page 2)	<u>N/A</u>
Disbursements (from page 2)	<u>N/A</u>
TOTAL DISBURSEMENTS THIS PERIOD:***	<u>N/A</u>
7. ENDING BALANCE:	<u>N/A</u>
8. General Account Number(s):	<u>None - all operations conducted by Ironclad California</u>
Depository Name & Location:	<u>N/A</u>

* All receipts must be deposited into the general account.

** Include receipts from the sale of any real or personal property out of the ordinary course of business; attach an exhibit specifying what was sold, to whom, terms, and date of Court Order or Report of Sale.

***This amount should be the same as the total from page 2.

TOTAL DISBURSEMENTS FROM GENERAL ACCOUNT FOR CURRENT PERIOD

Date mm/dd/yyyy	Check Number	Payee or DIP account	Purpose	*Amount Transferred	**Amount Disbursed	Amount
						0.00
TOTAL DISBURSEMENTS THIS PERIOD:				0.00	0.00	\$0.00

* Fill in amounts in this column if they are TRANSFERS to another DIP account (e.g. Payroll or Tax); the "amount" column will be filled in for you.

** Fill in amounts in this column if they are DISBURSEMENTS to outside payees; the "amount" column will be filled in for you.

Bank statement Date: _____ Balance on Statement: _____

Plus deposits in transit (a):

Deposit Date Deposit Amount

TOTAL DEPOSITS IN TRANSIT _____

Less Outstanding Checks (a):

Check Number Check Date Check Amount

TOTAL OUTSTANDING CHECKS: 0.00

Bank statement Adjustments:

ADJUSTED BANK BALANCE: \$0.00

* It is acceptable to replace this form with a similar form
** Please attach a detailed explanation of any bank statement adjustment

I. CASH RECEIPTS AND DISBURSEMENTS

N/A

1. TOTAL RECEIPTS PER ALL PRIOR PAYROLL ACCOUNT REPORTS	N/A
2. LESS: TOTAL DISBURSEMENTS PER ALL PRIOR PAYROLL ACCOUNT REPORTS	N/A
3. BEGINNING BALANCE:	[N/A]
4. RECEIPTS DURING CURRENT PERIOD: (Transferred from General Account)	N/A
5. BALANCE:	[N/A]
6. LESS: TOTAL DISBURSEMENTS DURING CURRENT PERIOD TOTAL DISBURSEMENTS THIS PERIOD:***	[N/A]
7. ENDING BALANCE:	[N/A]
8. Disbursements Account Number(s):	N/A
Depository Name & Location:	N/A

I. D SUMMARY SCHEDULE OF CASH

ENDING BALANCES FOR THE PERIOD:

(Provide a copy of monthly account statements for each of the below)

General Account:	N/A
Disbursements Account:	N/A
Tax Account:	
*Other Accounts:	
*Other Monies:	
**Petty Cash (from below):	0.00

TOTAL CASH AVAILABLE: 0.00

Petty Cash Transactions:

TOTAL PETTY CASH TRANSACTIONS: 0.00

* Specify the Type of holding (e.g. CD, Savings Account, Investment Security), and the depository name, location & account#
** Attach Exhibit Itemizing all petty cash transactions

AND OTHER PARTIES TO EXECUTORY CONTRACTS

III. TAX LIABILITIES

FOR THE REPORTING PERIOD:

Gross Sales Subject to Sales Tax: _____
Total Wages Paid: _____

	Total Post-Petition Amounts Owing	Amount Delinquent	Date Delinquent Amount Due
Federal Withholding			
State Withholding			
FICA- Employer's Share			
FICA- Employee's Share			
Federal Unemployment			
Sales and Use			
Real Property			
Other: See Ironclad California's monthly operating report.			
TOTAL:			

See Ironclad California's monthly operating report

	*Accounts Payable Post-Petition	Accounts Receivable	
	Pre-Petition	Post-Petition	
30 days or less			
31 - 60 days			
61 - 90 days			
91 - 120 days			
Over 120 days			
TOTAL:			

V. INSURANCE COVERAGE

	Name of Carrier	Amount of Coverage	Policy Expiration Date	Premium Paid Through (Date)
General Liability	See Schedule of Insurance			
Worker's Compensation				
Casualty				
Vehicle				
Others:				

**VI. UNITED STATES TRUSTEE QUARTERLY FEES
(TOTAL PAYMENTS)**

* Post-Petition Accounts Payable SHOULD NOT include professionals' fees and expenses which have been incurred but not yet awarded by the court. Post-Petition Accounts Payable SHOULD include professionals' fees and expenses authorized by Court Order but which remain unpaid as of the close of the period report.

VII SCHEDULE OF COMPENSATION PAID TO INSIDERS

VIII. SCHEDULE OF OTHER AMOUNTS PAID TO INSIDERS

* Please indicate how compensation was identified in the order (e.g. \$1,000/week, \$2,500/month)

IX. PROFIT AND LOSS STATEMENT

(ACCURAL BASIS ONLY) (Reflects Ironclad California's operations)

	Current Month	Cumulative Post-Petition
Sales/Revenue:		
Gross Sales/Revenue	0.00	3,280,710.04
Less: Returns/Discounts	0.00	583,862.89
Net Sales/Revenue	0.00	2,696,847.15
Cost of Goods Sold:		
Cost of Goods Sold	6,436.78	1,912,731.53
Cost of Goods Sold - Freight		67,713.47
Cost of Goods Sold (COGS)	6,436.78	1,980,445.00
Gross Profit	(6,436.78)	716,402.16
Other Operating Income (Itemize)		
Operating Expenses:		
Payroll - Insiders	30,500.00	426,852.47
Payroll - Other Employees		934,158.23
Payroll Taxes		51,196.36
Other Taxes (Itemize)		0.00
Depreciation and Amortization		44,346.16
Rent Expense - Real Property		26,748.73
Lease Expense - Personal Property		1,124.90
Insurance	5,765.16	34,328.34
Real Property Taxes		1,200.00
Telephone and Utilities		20,337.66
Repairs and Maintenance		879.90
Travel and Entertainment (Itemize)		122,186.94
Miscellaneous Operating Expenses (Itemize)	21,998.60	721,323.63
Total Operating Expenses	58,263.76	2,384,683.32
Net Gain/(Loss) from Operations	(64,700.54)	(1,668,281.17)
Non-Operating Income:		
Interest Income	3,449.97	6,693.88
Net Gain on Sale of Assets (Itemize)	(12,629.65)	13,137,278.41
Other (Itemize)		
Total Non-Operating income	(9,179.68)	13,143,972.29
Non-Operating Expenses:		
Interest Expense		761,520.06
Legal and Professional (Itemize)	511,120.00	3,069,193.09
Other (Itemize) - Income Tax Expense		
Total Non-Operating Expenses	511,120.00	3,830,713.15
NET INCOME/(LOSS)	(585,000.22)	7,644,977.97

(Attach exhibit listing all itemizations required above)

(ACCRUAL BASIS ONLY) (Reflects Ironclad California's operations)

ASSETS	Current Month End
Current Assets:	
Unrestricted Cash	<u>15,230,117.20</u>
Restricted Cash	<u> </u>
Accounts Receivable	<u>38,986.57</u>
Inventory	<u> </u>
Notes Receivable	<u> </u>
Prepaid Expenses	<u> </u>
Other (Itemize)	<u> </u>
	Total Current Assets
	15,269,103.77
Property, Plant, and Equipment	<u> </u>
Accumulated Depreciation/Depletion	<u> </u>
	Net Property, Plant, and Equipment
	0.00
Other Assets (Net of Amortization):	
Due from Insiders	<u>0.00</u>
Other (Itemize)	<u> </u>
	Total Other Assets
	0.00
TOTAL ASSETS	15,269,103.77
LIABILITIES	
Post-petition Liabilities:	
Accounts Payable	<u>1,095,756.88</u>
Taxes Payable	<u>187,083.37</u>
Notes Payable	<u> </u>
Professional fees	<u>1,415,822.38</u>
Secured Debt	<u> </u>
Other (Itemize)	<u> </u>
	Total Post-petition Liabilities
	2,698,662.63
Pre-petition Liabilities:	
Secured Liabilities	<u> </u>
Priority Liabilities	<u> </u>
Unsecured Liabilities	<u> </u>
Other (Itemize)	<u> </u>
	Total Pre-petition Liabilities
	0.00
TOTAL LIABILITIES	2,698,662.63
EQUITY:	
Pre-petition Owners' Equity	<u>4,925,463.17</u>
Post-petition Profit/(Loss)	<u>7,644,977.97</u>
Direct Charges to Equity	<u> </u>
TOTAL EQUITY	12,570,441.14
TOTAL LIABILITIES & EQUITY	15,269,103.77

No Yes

1. Has the debtor-in-possession made any payments on its pre-petition unsecured debt, except as have been authorized by the court? If "Yes", explain below:

X

2. Has the debtor-in-possession during this reporting period provided compensation or remuneration to any officers, directors, principals, or other insiders without appropriate authorization? If "Yes", explain below:

No Yes

X

3. State what progress was made during the reporting period toward filing a plan of reorganization
During the month of December the plan was drafted and presented to court in January

4. Describe potential future developments which may have a significant impact on the case:

5. Attach copies of all Orders granting relief from the automatic stay that were entered during the reporting period.

6. Did you receive any exempt income this month, which is not set forth in the operating report? If "Yes", please set forth the amounts and sources of the income below.

No Yes

X

I, Matthew Pliskin, CFO,

declare under penalty of perjury that I have fully read and understood the foregoing debtor-in-possession operating report and that the information contained herein is true and complete to the best of my knowledge.

3/6/18

Date

Matthew Pliskin

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Principal for debtor-in-possession